stated at that time, was that land would decline unless something creative was done to stem the tide. Land prices have declined as is proven by the following recent sales report:

> Sold to Roger Jessup, 40 acres, N.E. corner Saticoy and Haskell Streets, Lot 455, Tract 1000, $300.00 per acre. N.E. corner Saticoy and Woodley Streets, Lot 601, Tract 1000. $300.00 per acre.
>
> Green Mountain Ranch just reported sold. 80 acres facing Balboa, Sherman Way and Van Owen, two streets highly improved. 60 acres in fine full bearing walnut trees, 20 acres open. Good home improvements. Price $375 less 5% Net sales price per acre, $356.25.

So the situation is now more acutely critical than then. I therefore agree that it is imperative that vigorous action be taken to preserve values as contemplated by the Los Angeles Suburban Homes Company and bring the valley to its full fruition.

The opportunity for making low material contracts, financing and building houses is possibly passed, as costs have been greatly advanced by the codes, and the new Housing Act will fill financing needs, so some other wealth creating settlement activity to fit into the changed situation can be worked out. It is still possible to recreate, stablize, and establish land values along proven lines by increasing the number of actual desirable settlers.

You know better than anyone else the amount of continuous hard work necessary to save the San Fernando Valley from becoming a valley of shacks, which will continuously and permanently depress land values.

In view of the serious situation, I will be one of twelve representing the larger interests in the San Fernando Valley to pay 5% (into an advertising fund) on all sales of property owned or controlled by me for a period of three years. The other holders to do the same. In addition to this, I will subscribe to the twelve beneficial interests of $14,000 each, payable $2,500 each semi-annually in advance to finance an advertising-selling campaign of $5,000 a month for a period of three years, which seems necessary to create accumulative momentum.

The five percent on all sales will be a profit and not a charge to participants, as land values will advance in excess of this amount. In fact it is believed that land values can be constructively advanced $50.00 an acre every six months ~~for the three year period~~ after the first 6 mos.

Use of building discounts may be temporarily required to absorbe advances.

January 7, 1935

Mr. Harry Chandler, President and Gen. Mgr.
Los Angeles Times
Los Angeles, California

Dear Mr. Chandler:

In regard to my being the man to head and lead the procession to mobilize a force that will get some definate value creating action started in the San Fernando Valley, I wish to point out that in 1926 I submitted a plan for a garden city here in the valley which would have had very beneficial effects if headed. Again in 1928 I agreed to donate $5,000 and subscribe $20,000 to a revolving fund to encourage a Garden acre Home Settlement.

In February 1932 I again submitted a no-profit Garden Acre Home plan which contemplated building 300 homes in three years and spending $100,000 in advertising the unusual merits of the San Fernando Valley for Garden Acre Home development, with the view of stabilizing prices around $800 per acre on good, well located land, for the benefit of all. At that time I agreed to donate five acres and put $12,500 in a revolving fund for advertising and developing, together with such of my own time (and that of my able assistant, Roy V. Milner) as might be necessary without any charge whatever.

My plan involved contracting all materials at their prevailing prices and the building of one hundred homes annually for three years on a standardized, uniform floor plan of mass production, the buyer only having the choice of elevation and colors. Homes were to be of five large rooms with inexpensive opportunity to add a thrid bedroom if desired, two sets of bath and toilet plumbing, Spanish and Monteray types with tile roofs. Under prices then existing, and mass production, these homes could have been built at a very great saving below what an individual could build them.

To prove the soundness of this proposal at that time, February 1932, I contracted material and built and sold some thirty houses on my own account to responsible purchasers who paid down from one fourth to all cash and not less than $10.00 per thousand per month including interest at 7.2% on deferred payments--result, land sold at over $800 per acre with no delinquencies and a substantial profit.

At the time I suggested this home building plan, good, well located land could have been stabilized around $800.00 an acre. My forecast, as